GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:108
ANSWERED ON:20.08.2007
MARKETING OF AGRICULTURAL PRODUCE
Yadav Shri Ram Kripal

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the farmers are unable to get remunerative prices for their produce due to lack of advanced and modern marketing facilities in the country;

(b) if so, whether the Government has initiated any special scheme for development of advanced and modern marketing infrastructure to facilitate better marketing of agricultural produce; and

(c) if so, the steps taken for upgradation of infrastructure and daily links with the markets alongwith the allocation made therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 108 DUE FOR REPLY ON 20TH AUGUST, 2007.

(a) to (c): Farmers, at times, are unable to get remunerative prices for their produce due to inadequate marketing facilities in the country. There are temporal and spatial variations in the agricultural markets and most of the markets lack required infrastructure for efficient marketing.

The Ministry of Agriculture has initiated implementation of market reforms by circulating a Model Agricultural Produce Market Committee (APMC) Act in 2003 and a reform-linked Central Sector Scheme titled `Development/ Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization` has been launched on 20.10.2004 to facilitate development of marketing infrastructure, market user common facilities, infrastructure for direct marketing of agricultural commodities, infrastructure for supply of production inputs and need-based services, infrastructure for e-trading, market intelligence etc. and mobile infrastructure for post-harvest operations (excluding transport equipment) by providing credit-linked back-ended capital investment subsidy to entrepreneurs and direct assistance to State agencies. Assistance to State agencies is also being provided under the Scheme for the modernization and upgradation of existing marketing infrastructure.

During the Tenth Plan period an expenditure of Rs.73.23 crore has been incurred under this Scheme and 1540 bank funded marketing infrastructure projects were sanctioned a subsidy by NABARD, 4 cooperative sector projects were assisted through NCDC and 45 State agency projects were approved for assistance by the Department. For the year 2007-08, an allocation of Rs.62.50 crore has been made in the Plan Budget for this purpose.

The linking of important agricultural produce wholesale markets spread all over the country to a national level Agricultural Marketing Information Network (Agmarknet) for collection and dissemination of market information to facilitate better price realization by the farmers has been taken up by the Ministry of Agriculture under the Central Sector Scheme, `Market Research and Information Network`. Under this Scheme, so far, more than 2800 market nodes have been set up by providing computer sets, connectivity and capacity building and out of these about 1800 market nodes are regularly reporting daily prices and arrivals data for dissemination through the Agmarknet portal covering more than 300 commodities with more than 2000 varieties. Under this Scheme, an expenditure of Rs.29.96 crore has been incurred during the X Plan period for setting up various market nodes and taking up other activities for running the portal and an allocation of Rs.3.05 crore has been made for 2007-08 in the Plan Budget for expanding the coverage of the Scheme.